

<p style="text-align: center;"><b>Texas WIC</b> <b>Health and Human Services Commission</b></p>
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Effective April 1, 2019

Policy No. AC:30.0

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## **Program Income**

### **Purpose**

To ensure proper disposition and accountability for program income (PI) related to local agencies (LAs) financed in whole or in part with Federal grant funds.

### **Authority**

7 CFR Part 3016; Uniform Grant Guidance, 2 CFR 200

### **Policy**

PI shall be handled in accordance with the Uniform Federal Assistance Regulations, Part 3016, Subpart A.

### **Definition**

Program income - all revenues directly generated by a WIC contract attachment supported activity or earned only as a result of the WIC project during the term of the contract attachment.

### **Procedures**

- I. LAs shall use PI to further the program objectives in accordance with state/federal regulations.
- II. PI shall be spent only towards WIC activities/expenditures.
- III. LAs shall identify and report this income utilizing the forms and timeframes specified in **Policy AC:28.0**.
- IV. LAs shall utilize one of the following methods for applying PI:
  - A. Additive method – add PI to the funds already committed to the project by both parties.

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- B. Deductive method – deduct the PI from the total allowable costs to determine the net allowable costs.
- V. LAs shall expend PI during the contract attachment term in which it is earned and may not carry forward to the succeeding term.
- VI. PI not expended in the term in which it is earned shall be refunded to the state agency.